Paul E. Patton, Governor

THE COMMONWEALTH GROWS

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Agricultural Development Board Investment Philosophy

The Kentucky Agricultural Development Board will invest monies from the Kentucky Agricultural Development Fund in innovative proposals that increase net farm income and affect tobacco farmers, tobaccoimpacted communities, and agriculture across the state through stimulating markets for Kentucky agricultural products, finding new ways to add value to Kentucky agricultural products, and exploring new opportunities for Kentucky farms and farm products.



The Governor's Office of Agricultural Policy and the Kentucky Center for Agricultural Development and Entrepreneurship, along with the University of Kentucky College of Agriculture and the Department of Agriculture, are hosting the conference called Kentucky Opportunity Marketplace January 28-29 at the Civic Center in Frankfort. Please note that these dates are different from the previous announcement. Entrepreneurship, education, and leadership are the focus of the conference and the building blocks for the future of agriculture. In the first event of its kind, the two-day conference will foster a greater awareness of the agricultural development process and the value of agriculture to Kentucky.

The first day of the conference from 1-5 pm will be centered around county agricultural development council members and will provide leadership training and informational education for the people who are the backbone of the agricultural development process at a local level. Presentations on county cost-share programs will provide details for each area that counties may adopt. County council responsibilities and membership will be discussed. The Long-Term Plan for Agricultural Development will be presented. And a question and answer session on the Agricultural Development Fund

will provide a forum to address concerns.

The second day of the conference will begin at 9 am with Governor Patton, Laura Freeman and John Tobe of Laura's Lean Beef speaking about agricultural development. The day will feature projects funded by the Agricultural Development Board to illuminate how half of the tobacco settlement dollars are being invested in Kentucky agriculture. Other agricultural organizations such as regional universities, commodity groups, the Burley Tobacco Growers Cooperative, and the Small Business Development Center will provide information on products, services, and programs available through their groups. In addition, educational tracks will be provided free of charge covering business plan development, business structure, access to capital, and creation of a marketing plan.

Registration for the educational tracks is available at all county extension offices and online at www.kyagpolicy.com. All other activities are open to the public and everyone is encouraged to attend and show their support for agriculture in Kentucky by supporting those who are working on building for the future. For more information, please contact the Governor's Office of Agricultural Policy at (502) 564-4627.

CALENDAR OF AGRICULTURAL MEETINGS AND EVENTS

Agricultural Development Board Meeting

Friday January 18, 2001

Brown-Forman Room of the Kentucky History Center in Frankfort at 10:00 am

*Future meetings will be on the third Friday of every month at the same location. Any changes will be announced.

Kentucky Opportunity Marketplace: The Next Generation of Farm Innovation

Monday and Tuesday January 28-29, 2001

Farnham Dudgeon Civic Center in Frankfort

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Meet Agricultural Development Board Member Sam Moore



Sam Moore bought his first farm when he was only 19 years old. Since then, his 116 acre farm has grown along with his family. He married his high school sweetheart, has seven grandchildren, and his farm in Butler County has expanded from his initial farm purchase. Although he has had the opportunity as President of Kentucky Farm Bureau to travel and learn more about agriculture in other states and other nations, Sam still remembers what it was like to have a small farm in Kentucky.

Sam believes that his experience brings an important voice to the Agricultural Development Board. As the Board makes decisions, Sam knows how they're going to affect both large farms and smaller farms. He can also speak from his experience as President of Kentucky Farm Bureau, an organization with 415,000 members in Kentucky whose number one goal is to be a spokesperson for farmers. Sam says, "I think I'm there to offer my experience and what I think will work for agriculture in Kentucky. I'm not solely on the board to represent Kentucky Farm Bureau, I don't think, I'm there to represent

PROJECT SPOTLIGHT: APPALACHIAN SWEET SORGHUM

Creative and innovative are both words that can be used to describe the Appalachian Sweet Sorghum Project. The members of the Appalachian Sweet Sorghum Cooperative have not only been working to overcome the usual obstacles faced by new business ventures, they have also had to overcome a more unusual obstacle: trying to find equipment that didn't exist.

Because the production of sorghum syrup is extremely labor intensive, the cost of manual labor required usually cuts into the possible profits and deters producers from attempting a venture into sorghum production. To produce sorghum profitably requires sorghum chopping and processing equipment. Yet sorghum production equipment is difficult to find if it exists at all. The Cooperative has overcome what seems an impossible task through converting equipment, such as a corn chopper, into the proper equipment for sorghum.

For the past four years, the members of the Cooperative have slowly been working toward accomplishing their goals of gaining recognition for their sorghum and producing it profitably. Sorghum syrup is made from the juice of the sweet sorghum plant. As a natural sweet-

ener, sorghum can be used in a variety of food products including candy, cakes, and breads. The use of sorghum has a long history in Kentucky and the cooperative hopes that this history can be built on to discover a market. Danny Townsend, Project Manager for Appalachian Sweet Sorghum and Former President of the National Sweet Sorghum Producers and Processors Association, says, "We still see a great potential for a market."

The Cooperative worked with their extension office as well as experts from the University of Kentucky to establish a business plan and create a project that has a high probability of seeing success. They had the experience of a project manager whose family has been producing sorghum for generations. And they have received funds for their venture from the Agricultural Development Board, the Kentucky Department of Agriculture's Value-Added Division, and the Commodity Growers Cooperative.

They are committed to making their new venture work. Danny Townsend explains, "Our plans are to have it in every store.

That's our dream." By starting off with a small number of farmers, discovering the market, and overcoming the obstacles that arise with a new venture, the cooperative hopes to grow and find that demand exceeds their production, bringing in new farmers to meet that demand.



YOUR VOICE WILL BE HEARD BY THE KENTUCKY STATE GOVERNMENT

There is now an easy way to let your legislator know your views concerning any issue. The Legislative Research Commission has set up a toll-free number to call and leave your legislator a message. Simply dial the number, leave your message, and your voice will be heard by your representative in the Kentucky General Assembly. The telephone number to the Legislative Message Line is 1-800-372-7181.

This is also a simple way to contact your legislator concerning the investment of to-bacco settlement funds in agriculture. House Bill 611 that was passed by the Gen-

eral Assembly in 2000 began the agricultural development process by allocating half of the tobacco settlement funds to agriculture. Already, \$36,668,984 in state funds and \$21,265,921 in county funds have been invested.



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RECEIVE THE OFFICIAL NEWSLETTER OF THE GOVERNOR'S OFFICE OF AGRICULTURAL POLICY

As the official newsletter of The Governor's Office of Agricultural Policy, The CommonWealth Grows disperses information each month to all those interested in the agricultural development process. Projects funded by the Agricultural Development Board are spotlighted to show how they were created and what they hope to accomplish. Interviews with Agricultural Development Board Members and county agricultural development council members provide unique insights into the process. A calendar of meetings inform those who may be interested in attending. And articles on le-

gal and administrative issues clarify details related to project applications, board policies, and county council responsibilities.

The CommonWealth Grows is available free of charge. If you would like to receive the newsletter or know someone who might be interested in the agricultural development process, please send your name and mailing address to:

The CommonWealth Grows
Governor's Office of Agricultural Policy
404 Ann Street
Frankfort, KY 40601

PROJECTS APPROVED FOR FUNDING AT THE NOVEMBER BOARD MEETING

<u>Kentucky West Nursery Coop, Inc.</u>-\$4,777,466 (State, Ballard, Calloway, Graves, and Hickman County)

<u>Central Kentucky Growers Cooperative</u>-\$494,000 (State, Bath, Bourbon, Clark, Harrison, and Scott County)

Equus Run Vineyards LLC-\$263,825 (State and Woodford County)

West Kentucky Grower Cooperative-\$1,734,000 (State)

Kentucky Starr LLC-\$249,300 (State)

<u>Kentucky Thoroughbred Owners and Breeders</u>-\$311,000 (State, Bourbon, Fayette, and Woodford County)

Henry County Boer Goat Association-\$8,000 (Henry)

Christian County High School Agriculture Department-\$10,730

Western Hills High School-\$42,000 (Franklin)

Webster County High School-\$29,000

Mingua Brothers Beef Jerky, Inc.-\$12,000 (Bourbon)

Purchase Area Aquaculture Cooperative-\$100,000 (Graves)

Expanding Kentucky's Investment: Value-Added Beef-\$47,016 (Logan)

Garrard County 4-H Council-\$4,800

Owen County Farm Bureau-\$44,200

Roger Boyd-\$8,000 (Trigg and Caldwell County)

Louisville Area Business Analysis Group, Inc.-\$3,000 (Oldham)

Meet Sam Moore Continued

agriculture in Kentucky."

Sam hopes that people will look at the big picture of Kentucky agriculture as the Board makes decisions. He wants people to know, "We don't need to just spend this money, we need to invest this money." Sam is particularly proud of certain investments the board has made. He believes that two of the greatest areas for growth in Kentucky are beef cattle and forages that the board has created county cost-share programs to assist in their development. He says, "I'm very pleased with some of the cooperatives we've funded. Some of them have been very successful." And he is pleased that the Board funded the creation of an ethanol plant in Hopkinsville to help a large number of corn producers in that area.

In the future, Sam says, "I hope we can provide opportunities to keep people on the farm who want to stay there." He admits that there is no silver bullet that can take the place of tobacco, yet Kentucky agriculture is not doomed because tobacco is struggling. He would like to look at creating a marketing infrastructure to assist Kentucky producers.

Sam also knows that the agricultural development process will take time to show results. Sam believes that much of what the board has accomplished will not be evident for awhile. But he also says, "I think in 10 years, we can look back and say without the Agricultural Development Fund, we wouldn't be where we are now."

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INTERVIEW WITH OWSLEY COUNTY COUNCIL MEMBER NEIL HOFFMAN

Neil Hoffman has worked for the past 26 years to make his farm productive. He has taken a piece of land that, as he says, "Couldn't grow weeds hardly," and turned it into a profitable diversified farm. Currently he grows strawberries, blueberries, broccoli, tobacco, beans, corn, cabbage, and raises goats. His farming ventures have continued to change as market dema-

tinued to change as market demand has changed and he credits his flexibility in adapting to the market as what has allowed his farm to flourish.

Neil knows that flexibility is the key to survival, not only for his farm, but for other family farms. He says that this type of adjustment is one way to avoid markets that are already flooded by overproduction. Knowing that there are serious stresses to the tobacco program as it exists, Neil hopes that farmers can turn to newer markets to find alternative profits to tobacco.

Even after finding a potentially profitable market, Neil explains that trying new farming ventures is difficult and requires both a strong



commitment and hard work to make the venture succeed. There must also be the awareness that even successful agricultural ventures take time to show results.

Neil says that whether it is a new farm project or whether it is the entire agricultural development process, it takes an enormous amount of time to lay the groundwork, fulfill the goals, and finally, to see results. Speaking specifically about the Phase I agricul-

tural development process, he says, "Two years isn't even enough to get started." He hopes that everyone will have patience and understand that changes in agriculture take a long time.

As a county council member, Neil has helped begin that long process through encouraging participation in the forage, diversification, and goat programs that are available in his county. He says, "The diversification program is really going to be a big help." Since there are few off farm job opportunities in his county, he hopes the programs and the agricultural development process will keep people in his area employed and involved in agricultural pursuits.